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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Proposed budget for the Regional Service Centre in Entebbe, Uganda, for the period from 1 July 2017 to 30 June 2018

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2015/16	$35,556,400
Expenditure for 2015/16	$29,759,400
Unencumbered balance for 2015/16	$5,797,000
Appropriation for 2016/17	$39,203,600
Projected expenditure for 2016/17[a]	$35,743,300
Projected underexpenditure for 2016/17[a]	$3,460,300
Proposal submitted by the Secretary-General for 2017/18	$37,255,800
Recommendation of the Advisory Committee for 2017/18	$33,484,600

[a] Estimate as at 28 February 2017.

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I. Introduction

1. **The recommendations of the Advisory Committee on Administrative and Budgetary Questions in paragraphs 32, 33, 35, 36, 37, 41, 43, 44, 45 and 47 below would entail a reduction of $3,771,200 in the proposed budget for the Regional Service Centre in Entebbe, Uganda, for the period from 1 July 2017 to 30 June 2018 (A/71/835).** The Committee has made recommendations and observations on specific issues, where appropriate, in the paragraphs below.

2. During its consideration of the financing of the Regional Service Centre in Entebbe, the Advisory Committee met with representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses dated 17 April 2017. The documents reviewed and those used for background by the Committee are listed at the end of the present report. The Committee's detailed comments and recommendations on the findings of the Board of Auditors on the United Nations peacekeeping operations for the period from 1 July 2015 to 30 June 2016, and on cross-cutting issues related to peacekeeping operations, can be found in its related reports (A/71/845 and A/71/836, respectively).

II. Budget performance report for the period from 1 July 2015 to 30 June 2016

3. The approved resources for the Regional Service Centre in Entebbe for the period from 1 July 2015 to 30 June 2016 amounted to $35,556,400. Expenditures for the period totalled $29,759,400, resulting in an underexpenditure of $5,797,000 (gross) or 16.3 per cent (A/71/809, annex XIV).

4. An analysis of variances is provided in section IV of the relevant performance report. Decreased requirements were reflected mainly under:

(a) Communications ($3,732,600 or 75.6 per cent), owing mainly to the cancellation of the high-bandwidth, low-latency solution contract (O3B), and the transfer of communication equipment from the United Nations Mission for Ebola Emergency Response (UNMEER) to the Regional Service Centre which resulted in the cancellation of planned acquisitions;

(b) Information technology ($1,632,700 or 45.4 per cent), owing mainly to the lower-than-budgeted number of contractual information technology personnel, the non-utilization of the Centre's share for centralized information technology services at Headquarters, and the transfer of information technology equipment from UNMEER to the Regional Service Centre, resulting in the cancellation of planned acquisitions;

(c) National staff ($1,237,500 or 25.0 per cent), owing mainly to the higher actual average vacancy rate of 83.3 per cent for the National Professional Officer category of staff, as compared to the budgeted vacancy rate of 15 per cent (A/71/809, annex XIV, paras. 24, 30 and 31).

5. Increased requirements were mainly attributable to facilities and infrastructure ($2,145,300 or 39.2 per cent), due mainly to increased requirements for the completion of the office facilities at the Regional Service Centre, which were not completed during the 2014/15 period and were carried over to 2015/16 (A/71/809, annex XIV, para. 28).

6. The comments of the Advisory Committee on the information presented in the performance report on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2017 to 30 June 2018 in the paragraphs below.

III. Information on performance for the current period

7. The Advisory Committee was informed that, as at 28 February 2017, expenditure for the 2016/17 period amounted to $21,377,600 (gross), as compared to the apportionment of $39,203,600 (gross). For the entire financial period, current and projected expenditure would amount to $35,743,300, leaving a projected underexpenditure of $3,460,300 or 8.8 per cent.

8. Regarding incumbency, the Advisory Committee was informed that, as at 31 January 2017, the incumbency for the Regional Service Centre for the current period was as follows:

Human resources incumbency for the period from 1 July 2016 to 30 June 2017

Category	*Approved*[a]	*Encumbered*	*Vacancy rate (percentage)*
Posts			
International staff	146	116	20.5
National staff			
National Professional Officers	31	15	51.6
National General Service staff	236	224	5.1
United Nations Volunteers	8	3	62.5

[a] Representing the highest number of approved posts for civilian personnel for the period.

IV. Proposed budget for the period from 1 July 2017 to 30 June 2018

A. Mandate and planned results

9. By its resolution 64/269, the General Assembly established the Regional Service Centre in Entebbe in July 2010 as a shared service centre for missions in the region under the global field support strategy. The General Assembly subsequently decided, in resolution 69/307, to give the Centre operational and managerial independence, and requested the Secretary-General to submit a budget proposal for the 2016/17 period to be charged against the missions the Centre supports. In resolution 70/289, the General Assembly decided to consider at its seventy-first session the question of the financing of the Centre (A/71/835, para. 1).

10. In the report of the Secretary-General it is stated that the Regional Service Centre provides shared services to participating missions with the goal of moving transactional, non-location-dependent administrative functions to the Centre from field missions, including human resources, finance, multimodal movement and control, personnel and cargo transport, and information and communications technology support. The Centre currently supports seven peacekeeping operations.[1]

[1] United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic, United Nations Multidimensional Integrated Stabilization Mission in Mali, United Nations Organization Stabilization Mission in the Democratic Republic of the Congo, African Union-United Nations Hybrid Operation in Darfur (UNAMID), United Nations Interim Security Force for Abyei, United Nations Mission in South Sudan and United Nations Support Office in Somalia.

and six special political missions[2] and the United Nations Office to the African Union (A/71/835, paras. 2 and 3).

11. The Secretary-General proposes that the United Nations Mission for the Referendum in Western Sahara (MINURSO) be added as a client mission of the Regional Service Centre, with the Centre providing support for the finance, travel and human resources administrative processes of the Mission. Upon enquiry, the Advisory Committee was informed that the Centre provided a full range of financial and personnel administrative transactional services to missions based in East and Central Africa, and the addition of MINURSO was part of the initiative by the Department of Field Support to address operational challenges faced by MINURSO. The Committee was further informed that the urgency of the operational situation called for the inclusion of MINURSO as a core client of the Centre for the 2017/18 period. **The Advisory Committee recalls that, by its resolution 71/272, the General Assembly requested the Secretary-General to submit for its consideration at the main part of its seventy-second session a report on the global service delivery model containing a comprehensive and fully developed proposal that continues to take into account the views of all stakeholders.** The Committee makes further observations and recommendations with respect to MINURSO in its related report (A/71/836/Add.1). The Committee's recommendations on the resources related to the addition of MINURSO as a client mission of the Centre are set out in paragraph 36 below.

12. In addition, the Secretary-General indicates that, since November 2016, payroll services for national staff and individual uniformed personnel in five additional missions — the United Nations Mission in Liberia (UNMIL), the United Nations Support Mission in Libya (UNSMIL), the United Nations Office for West Africa and the Sahel (UNOWAS), the Cameroon-Nigeria Mixed Commission and the United Nations Integrated Peacebuilding Office in Guinea-Bissau (UNIOGBIS) — have been processed by the Regional Service Centre (A/71/835, para. 5). Upon enquiry, the Advisory Committee was informed that the consolidation of payroll processing was an administrative arrangement to facilitate the roll-out of Umoja cluster 5 to all field missions and had remained in place to address new requirements following the roll-out. The Committee was further informed that it was not proposed to adopt a shared services model for UNMIL, UNSMIL, UNOWAS, the Cameroon-Nigeria Mixed Commission and UNIOGBIS, and that these are interim arrangements pending the General Assembly's decision on the global service delivery model. **While the Advisory Committee does not object to the interim arrangement to support the implementation of Umoja, it recalls that, in accordance with General Assembly resolution 70/248 A, any changes to the existing and future service delivery model must be approved by the General Assembly (see A/71/595, para. 55).**

13. With respect to planned initiatives for the 2017/18 period, it is stated in the report that the Regional Service Centre is expected to carry out residual liquidation activities in support of the closure on 30 June 2017 of the United Nations Operation in Côte d'Ivoire, and to support the administrative drawdown of UNMIL in its later stages during the first quarter of 2018. The Centre would also continue testing and monitoring its internal control framework and stabilizing Umoja processes, and working on the Galileo decommissioning project and the deployment of Umoja supply chain management functionalities (A/71/835, paras. 18, 22 and 23).

[2] Office of the Special Envoy of the Secretary-General for the Sudan and South Sudan, Office of the Special Envoy of the Secretary-General to the Great Lakes Region, Somalia and Eritrea Monitoring Group, United Nations Regional Office for Central Africa, United Nations Assistance Mission in Somalia and Office of the Special Adviser to the Secretary-General on Burundi.

14. According to the report, the Regional Information and Communications Technology Services would focus on regional telephone billing services; training services; the United Nations Military Signals Academy; regional compliance surveys in information security and standards; and pilot testing of the high-bandwidth, low-latency satellite technology. The Transportation and Movements Integrated Control Centre would be involved in the planning and adoption of a regional hub-and-spoke initiative to enable missions to share air assets for scheduled passenger flights, as well as the supply chain management initiative to implement the East African corridor project, which is focused on six peacekeeping missions in the region: the United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic (MINUSCA), the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO), the African Union-United Nations Hybrid Operation in Darfur (UNAMID), the United Nations Interim Security Force for Abyei (UNISFA), the United Nations Mission in South Sudan (UNMISS) and the United Nations Support Office in Somalia (UNSOS) (A/71/835, paras. 25-28; see also paras. 23 and 24 below). Upon enquiry, the Advisory Committee was informed that the regional hub-and-spoke concept of operations, which uses Entebbe where the main airport is located as a hub, provides an integrated monthly service of scheduled/shuttle flights in support of MONUSCO, UNMISS and UNISFA, as well as ad hoc flights including strategic aeromedical support (casualty and medical evacuation) to the Centre's client missions. **The Advisory Committee considers that more information on the medical evacuation flights should be included in the Secretary-General's next report on the Regional Service Centre in Entebbe.**

Restructuring of service lines of the Regional Service Centre

15. It is proposed during the 2017/18 period to reorganize the cross-functional service lines of the Regional Service Centre as service lines along the categories of personnel, in order to further streamline administrative processes while taking full advantage of the functionalities of Umoja. The service lines would be supported under three main pillars, as follows:

(a) International Staff Section, comprising the on-boarding and separation service line, the benefits and payroll service line, the travel and claims service line and the education grant service line;

(b) National Staff Section, comprising the human resources and payroll service line and the travel and claims service line;

(c) Uniformed Personnel Section, comprising the human resources and payroll service line, the on-boarding and separation service line and the travel and claims service line (A/71/835, para. 8).

The Advisory Committee has no objections to the proposed restructuring and trusts that the restructuring will result in efficiency gains and enhance the support provided to the categories of personnel and client missions. The Committee expects that the next report of the Secretary-General on the Regional Service Centre in Entebbe will include information on the efficiency gains from restructuring.

16. Under the proposed structure including the new Uniformed Personnel Section, it is proposed that one P-5 post of Service Delivery Manager be established to manage the section, while the renamed International Staff Section and National Staff Section would each be headed by the existing P-5 Service Delivery Manager posts from the former allowance and payments and benefits and entitlements service lines (A/71/835, para. 11; see also para. 34 below).

Governance arrangements

17. It is stated in the report that the governance arrangements for the Regional Service Centre have changed. The previous steering committee, composed of Directors and Chiefs of Mission Support of field operations serviced by the Centre, is now replaced by a client board with the same composition. A new steering committee has been established to govern the Centre, comprising the Directors of the Field Personnel Division, the Field Budget and Finance Division, the Logistics Support Division and the Information and Communications Technology Division in the Department of Field Support, and the Chair and Deputy Chair of the client board to represent the field operations. At the working level, the Service Delivery Managers and Service Line Managers meet on a quarterly basis with their counterparts, the Chiefs of human resources and the Chiefs of budget and finances in the missions, to review the performance of administrative services and the division of roles between the Centre and client missions in relation to the human resources and finance functions still carried out in missions (A/71/835, para. 19).

18. Upon enquiry, the Advisory Committee was informed that the steering committee was the senior governance and decision-making body for the Regional Service Centre and reported directly to the Under-Secretary-General for Field Support, and that its membership also included the Assistant-Secretary-General for Field Support and the Chief of the Centre as an ex-officio member. The Committee was further informed that the former steering committee, now the client board, provided an expert advisory role to the Chief of the Centre and reported directly to the new steering committee. The client board's membership would remain the same as the former steering committee, comprising the Directors and Chiefs of Mission Support of field operations, two of whom would serve as Chair and Deputy Chair.

19. **The Advisory Committee recalls that the General Assembly decided in resolution 69/307 to give the Regional Service Centre in Entebbe operational and managerial independence and endorsed the Secretary-General's initiative that the Centre report directly to the Department of Field Support. The Committee further recalls that the Secretary-General's initiative at the time did not include the establishment of a new steering committee to which the previous steering committee, now client board, would report (see A/69/651, para. 27). The Advisory Committee is of the view that the new governance arrangements have created an additional layer of governance, so that the Centre would report to the Department of Field Support through the steering committee, and may not be consistent with General Assembly resolution 69/307. Considering the General Assembly's decision regarding the operational and managerial independence of the Centre and that the Centre report directly to the Department of Field Support, the Advisory Committee recommends that the General Assembly request the Secretary-General to refine the governance arrangements and provide an update in his next report on the Centre.**

Scalability

20. By its resolution 70/286, the General Assembly noted the need for further progress in developing the scalability model for the Regional Service Centre, and requested the Secretary-General to ensure that all scalability models take into account, inter alia, workload factors and efficiency gains. By its resolution 70/289, the General Assembly also endorsed the Advisory Committee's recommendation that the Secretary-General should continue to develop the scalability model of the Centre to include the Transportation and Movements Integrated Control Centre and the Regional Information and Communications Technology Services, and provide an update in the next budget submission for the Centre.

21. It is stated in the report that the scalability model for the Regional Service Centre is based on the following key assumptions and definitions: (a) the three personnel categories of international staff, national staff, and individual uniformed officers (Government-provided personnel, non-personnel service types and contingent troops are excluded); (b) the use of funded headcount applying the budgeted vacancy factors; (c) a weighting system which is a scale applied to the funded headcount to differentiate the workload needed in servicing the different categories of personnel (international staff: 1.0; national staff: 0.4; individual uniformed officers: 0.4); and (d) a multiplier to determine the number of clients that are supported by one Centre staff member in delivering core transactional services. Using these assumptions, it has been determined that the model comprises three different elements, organized in terms of staff requirements for the Centre. The first element (x) is a small, fixed-cost component required for the management of the Centre. The second element (y) is the account management component, which is a minimal, variable-cost element based on the number of client missions. The third element (z) is the largest and most variable cost component, representing the core transactional and direct service delivery. It is also stated in the report that the model was modified to exclude the administration of United Nations Volunteers personnel who are administered by the United Nations Development Programme and the United Nations Volunteers headquarters in Bonn, Germany (A/71/835, paras. 33-36). The Advisory Committee notes that United Nations Volunteers personnel were included in 2016 as a category of personnel in the weighting system of the scalability model (see A/70/754).

22. According to the report, applying the scalability model for the 2017/18 period to the Regional Service Centre with MINURSO as a client mission results in the following: (a) element x: the fixed-cost component amounts to 13 posts; (b) element y: the account management component amounts to 30 posts; and (c) element z: core transactional and direct service delivery amounts to 353 posts, based on 9,783 clients on a weighted basis, including MINURSO, and the multiplier of 27.7. Therefore, according to the model, the Centre would require 396 finance and human resources posts for the 2017/18 period, which represents an increase of 15 posts (inclusive of the 10 posts that it is proposed to establish in the Centre for MINURSO), compared to 381 posts for the 2016/17 period (A/71/835, paras. 37-39). **The Advisory Committee notes that the multiplier of 27.7 is identical to the multiplier used in 2016 (see A/70/754) and is of the view that the multiplier should reflect data from previous periods, as well as efficiency gains realized. The Committee expects that the next report of the Secretary-General will provide information on efficiency gains and data from previous periods with the resulting impact on the multiplier.**

23. The report indicates that challenges were encountered in modifying the scalability model, and the implementation of Umoja cluster 5 was also a factor affecting the refinement of the model. The activities of the Regional Service Centre are expected to change to take into account the increased client base of the missions supported by the Centre in the 2017/18 period. It is stated in the report that the model still applies solely to financial and personnel administration, as both the Regional Information and Communications Technology Services and the Transportation and Movements Integrated Control Centre have distinctly different service delivery models within the Centre and the unique delivery models and workload requirements make a scalability model that combines the three areas impractical. It is further stated that, therefore, the scalability model is used to determine staffing requirements for financial and personnel administration in the Centre, and excludes the Transportation and Movements Integrated Control Centre (18 posts) and Regional Information and Communications Technology Services (22 posts) (A/71/835, paras. 29-32). Upon enquiry, the Advisory Committee was

informed that the work of the Transportation and Movements Integrated Control Centre and Regional Information and Communications Technology Services were not significantly driven by Umoja processes, as these are service providers of an advisory and strategic nature, rather than transactional processors dependent on Umoja processing. The Committee was further informed that in consequence the Transportation and Movements Integrated Control Centre and Regional Information and Communications Technology Services were not compatible with the current scalability model elements, although the Secretariat intends to review the integration of these other functions not directly related to Umoja processes in order to enhance the scalability model.

24. **The Advisory Committee notes that the establishment of the Regional Service Centre in Entebbe predates the implementation of Umoja, and that the Centre is based on the concept of centralizing the administrative functions of client missions, with the scalability model used to determine the size of staffing. Taking this into account, the Committee is of the view that the implementation of Umoja should not impede the application of the scalability model to the Centre, including the Transportation and Movements Integrated Control Centre and Regional Information and Communications Technology Services, and reiterates that the Secretary-General should refine the scalability model to include the Transportation and Movements Integrated Control Centre and the Regional Information and Communications Technology Services.**

25. Upon enquiry as to the services provided by the Regional Service Centre to individual client missions, the Advisory Committee was informed that, while the standardization of the range of services provided by the Centre was intended to be the main advantage of the Centre and all its core clients are expected to conform to this model, the Centre does not provide the full range of cashier services to the United Nations Support Office in Somalia, the United Nations Assistance Mission in Somalia, the Office of the Special Adviser to the Secretary-General on Conflict Prevention, including in Burundi and the Office of the Special Envoy of the Secretary-General to the Great Lakes Region, where the majority of those transactions is managed by the United Nations Office at Nairobi. In addition, only three missions with regular United Nations flights (MONUSCO, UNISFA and UNMISS) conduct physical check-in at the Centre. **The Advisory Committee notes that some missions are performing functions that were entrusted to the Regional Service Centre in Entebbe and retaining mission staff for this purpose, and is of the view that the full efficiency gains and benefits of a regional service centre are not being realized if the Centre is not providing standardized services to all client missions. The Committee is further of the view that this would affect the accuracy of the scalability model in terms of the number of clients supported by the Centre. The Committee therefore recommends that the General Assembly request the Secretary-General to provide detailed information in his next report on the different functions performed and services provided by the Centre in respect of each client mission.**

Nationalization of Field Service posts

26. The report indicates that the previously planned nationalization of 34 Field Service posts by the end of June 2017 will not be fully achieved, and it is expected that only 13 Field Service posts will be nationalized as at 1 July 2017. The nationalization is now expected to be implemented over a period of three years (A/71/835, para. 21). Upon enquiry, the Advisory Committee was informed that the progress on nationalization was less advanced than originally envisaged and no additional posts will be nationalized during the 2017/18 period; instead, 10 more posts will be nationalized in the 2018/19 period and the remaining 11 posts will be

nationalized in the 2019/20 period. **The Advisory Committee recalls that, by its resolution 69/307, the General Assembly requested the Secretary-General to continue the nationalization plan in a phased manner over a two-year period. The Committee notes with concern that the nationalization plan is now expected to take five years. Taking into consideration the two-year timeline set out by the General Assembly, the Committee is of the view that the Secretary-General should strengthen his efforts to expedite the completion of the nationalization plan.**

B. Resource requirements

27. The budget for the Regional Service Centre in Entebbe for the period from 1 July 2017 to 30 June 2018 amounts to $37,255,800, representing a decrease of $1,947,800 or 5.0 per cent, in gross terms, compared with the appropriation of $39,203,600 for 2016/17. The proposed budget provides for 134 international staff, 297 national staff (including three temporary assistance positions), and 8 United Nations Volunteers, amounting to a total of 439 posts/positions.

28. A detailed analysis of variances is provided in section III of the proposed budget. Decreased requirements for 2017/18 are mainly attributable to:

(a) Facilities and infrastructure ($4,976,600 or 66.3 per cent), owing mainly to the completion of the Centre's permanent accommodation during the 2015/16 period, in addition to a decrease in the Centre's percentage share for common services on the Entebbe Support Base provided by MONUSCO, from70.6 per cent to 53.4 per cent, as a result of the new cost sharing methodology based on headcount rather than on the occupied area previously used;

(b) Communications ($435,900 or 16.2 per cent), due mainly to the reduced requirements for the acquisition of equipment in the 2017/18 period compared to the 2016/17 period, no requirements for public information equipment, and the reduction in the local and long-distance telephone communication fees (A/71/835, paras. 107 and 109).

29. The decreased requirements are offset in part by increased requirements primarily under:

(a) National staff ($2,732,700 or 43.1 per cent), owing mainly to the proposed increase of 27 national posts and the conversion of 13 Field Service posts to 13 national General Service posts; the increase in salary, effective September 2016, by 27 per cent for national General Service posts and 12 per cent for National Professional Officer posts; and the application of a lower vacancy rate for National Professional Officer posts compared to 2016/17;

(b) International staff ($745,200 or 4.1 per cent), due mainly to an increased common staff cost percentage, the application of a vacancy rate of 10 per cent compared to 19 per cent applied to the budget of the 2016/17 period, the proposed establishment of a P-5 post of Service Delivery Manager, and the proposed reclassification of two P-3 posts to the P-4 level (A/71/835, paras. 101 and 102).

30. With respect to the salary increases for national staff, the Advisory Committee notes from the performance report that, for the 2015/16 period, there was an increase in net salary of 19.2 per cent for National Professional Officer posts and 31.4 per cent for national General Service posts in the Regional Service Centre effective 1 August 2015 (A/71/809, annex XIV, para. 24). The Committee further notes that in contrast to the Centre, the performance report for MONUSCO for 2015/16 indicates an increase in the local salary scale in the same duty station, Uganda, of 7.7 per cent and 8.8 per cent for national General Service staff and

National Professional Officers, respectively (see A/71/674, para. 74). Upon enquiry as to the differences between the Centre and MONUSCO, the Committee was informed that a revised salary scale for Uganda was approved effective 1 August 2015 reflecting an across-the-board increase of 7.7 per cent for national General Service staff and 8.8 per cent for National Professional Officers. The Committee was further informed that the increases for the Centre included not only the increases in the salary scale, but also a salary increase related to changes in actual grade and step levels compared to the budgeted grade and step levels (national General Service posts were budgeted at the G-4 step 6 level while the actual average salary was at the G-5 step 6 level; National Professional Officer posts were budgeted at the NO-B step 4 level while the actual average salary was at the NO-B step 6 level). For the 2017/18 period, the Committee notes that there was another increase in salary scales in the Centre of 27 per cent for national General Service posts and 12 per cent for National Professional Officer posts, effective September 2016 (see para. 29 (a) above), while the proposed budget for MONUSCO for 2017/18 does not indicate a similar increase for national staff in the same duty station (A/71/832). **The Advisory Committee is of the view that the Secretary-General should provide detailed information to the General Assembly on the differences in salary increases for national staff in MONUSCO and the Regional Service Centre in Entebbe.**

1. Civilian personnel

Category	*Approved 2016/17*[a]	*Proposed 2017/18*	*Variance*
International staff	146	134	(12)
National staff[b]	267	294	27
Temporary positions	–	3	3
United Nations Volunteers	8	8	–
Total	**421**	**439**	**18**

[a] Representing the highest level of approved staffing.
[b] Including National Professional Officers and national General Service staff.

31. The estimated requirements for civilian personnel for 2017/18 amount to $28,073,600, an increase of $3,543,000, or 14.4 per cent, compared with the apportionment for 2016/17. The increased requirements under civilian personnel are mainly attributable to higher requirements under national and international staff as mentioned in paragraph 29 above. The cost estimates for civilian personnel reflect vacancy factors of 10.0 per cent for international staff, 25.0 per cent for National Professional Officers, 6.0 per cent for national General Service staff, 50.0 per cent for United Nations Volunteers, and 6.0 per cent for temporary positions (national General Service).

32. With respect to the proposed vacancy factor of 10.0 per cent for international staff, the Advisory Committee notes from information provided to it that the actual vacancy rate for international staff as at 31 January 2017 was 20.5 per cent. The Committee further notes that, in respect of the proposed vacancy factor of 25.0 per cent for National Professional Officers, the actual vacancy rate for National Professional Officers as at 31 January 2017 was 51.6 per cent. **The Advisory Committee reiterates that budgeted vacancy rates should be based, as much as possible, on actual vacancy rates and, where the proposed budgeted rates differ from the actual rates, clear justification should be provided (A/70/742, para. 45). Taking this into account, the Committee recommends that the vacancy factor of 20.0 per cent be applied to international staff and the vacancy**

factor of 50.0 per cent be applied to National Professional Officers. Any related operational costs should be adjusted as appropriate.

33. The Advisory Committee also notes that the proposed changes to staffing include three reassignments as follows: (a) reassignment of a P-2 post from the Internal Control Unit under the Financial Reporting Section to a P-2 post in the Analysis and Reporting Unit within the Office of the Chief; (b) reassignment of a United Nations Volunteer position from the Strategic Planning Unit within the Office of the Chief to a United Nations Volunteer position in the Staff Counselling and Welfare Unit within the Office of the Chief; and (c) reassignment of a United Nations Volunteer position from the vendor service line within the International Staff Section to a United Nations Volunteer position in the travel and claims service line in the National Staff Section (A/71/835, tables 6-8). **The Advisory Committee is of the view that the posts/positions proposed for reassignment involve a change of functions and should be considered equivalent to the abolishment of a current post and establishment of a new post, and therefore subject to procedures applicable to new posts with respect to, inter alia, the requirement for full justification of their functions, the recruitment and selection process, and the application of a vacancy factor of 50 per cent in the first year of their establishment. Any related operational costs should be adjusted as appropriate.** The Advisory Committee discusses the issue of the reassignment of posts further in its report on cross-cutting issues related to peacekeeping operations (A/71/836).

Posts and positions

34. The proposed budget represents an increase of 18 new posts/positions in the Regional Service Centre comprising one P-5 post, 14 national General Service posts (inclusive of the 10 posts to be established in the Centre for MINURSO) and three general temporary assistance positions (national General Service) (A/71/835, para. 59). With respect to the P-5 post of Service Delivery Manager, it is stated in the report that the incumbent would manage the new Uniformed Personnel Section, and engage with the Force Generation Service and the Police Division in the Department of Peacekeeping Operations, as well as with the Chief Military Personnel Officers in field missions (ibid., para. 11). **In the light of the proposed restructuring, the Advisory Committee recommends approval of the establishment of the P-5 post of Service Delivery Manager (see paras. 15 and 16 above).**

35. As regards the 14 proposed national General Service posts, two are proposed in the Office of the Chief, two in the National Staff Section, nine in the Uniformed Personnel Section, and one in the Financial Reporting Section (A/71/835, tables 6-10). In paragraph 63 of the report it is indicated that within the Office of the Chief one of the proposed national General Service posts would be a Training Assistant in the Regional Training and Conference Centre to coordinate with relevant stakeholders to provide timely logistical support and responsive service to clients, to monitor performance, and to achieve targeted service levels for the different categories of training participants. **The Advisory Committee notes that the report of the Secretary-General does not provide clear justifications for the Training Assistant post in terms of increased training needs. The Committee further notes that eight posts are proposed for redeployment to the unit, which would provide additional capacity. For these reasons, the Committee recommends against the proposed national General Service Training Assistant post in the Regional Training and Conference Centre under the Office of the Chief. Any related operational costs should be adjusted accordingly.**

36. **Furthermore, with respect to the 10 national General Service posts to be established in the Regional Service Centre for MINURSO, the Committee's**

detailed recommendations are contained in its report on the proposed budget for MINURSO (A/71/836/Add.1). The Advisory Committee recommends against the establishment in the Centre of the eight proposed national General Service posts which were recommended by the Committee for reinstatement in MINURSO. Any related operational resources should be adjusted accordingly. The Advisory Committee does not object to the transfer of the two posts for payroll-related functions from MINURSO to the Centre (see para. 11 above), for which the vacancy factor of 50 per cent would be applied in the first year of their establishment.

37. The establishment of three general temporary assistance positions (national General Service) is proposed in the National Staff Section, in the human resources and payroll service line. These three new positions and one of the new national General Service posts (referred to in para. 35 above) would manage the increased workload associated with the transfer of functions related to the administration of national staff for all client missions and the centralization of payroll for all missions in Africa. It is also proposed that 20 posts be redeployed from other service lines to the human resources and payroll service line (A/71/835, para. 76). Upon enquiry, the Advisory Committee was informed that the three proposed positions were required to support temporary arrangements for payroll services for UNSMIL, UNOWAS, the Cameroon-Nigeria Mixed Commission and UNIOBGIS, and to support UNMIL during the final closure of the mission. **The Advisory Committee notes that 20 posts are proposed for redeployment from other service lines to the human resources and payroll service line, in addition to a new national General Service post proposed for establishment. Taking this into account, the Committee is of the view that there would be sufficient capacity within the human resources and payroll service line to manage the temporary functions of the three general temporary assistance positions. The Committee therefore recommends against the three general temporary assistance positions (national General Service). Any related operational costs should be adjusted accordingly.**

38. Upon enquiry as to the temporary duty assignments of staff, the Advisory Committee was provided with information showing temporary duty assignments of staff to and from the Regional Service Centre from 1 July 2015 to the present. The Committee notes that the duration of a number of assignments from missions to the Centre exceeded the three-month limit stipulated by the General Assembly in resolution 63/250. **In this context, the Advisory Committee recalls that the Secretary-General previously proposed that the maximum duration of temporary duty assignments be extended to six months (A/70/749). The Advisory Committee recommended against the proposal (A/70/742, para. 107), and the General Assembly endorsed its recommendation in resolution 70/286. The Committee expects that the Secretary-General will comply in future with the terms of General Assembly resolution 63/250 and ensure that temporary duty assignments do not exceed three months in duration.** The Committee makes further observations in this regard in its report on cross-cutting issues related to peacekeeping operations (A/71/836).

39. **Subject to its recommendations in paragraphs 32, 33, 35, 36 and 37 above, the Advisory Committee recommends approval of the requested resources for civilian personnel.**

2. Operational costs

Apportioned 2016/17	*Proposed 2017/18*	*Variance*
$14,673,000	$9,182,200	($5,490,800)

40. The estimated operational requirements for 2017/18 amount to $9,182,200, representing a decrease of $5,490,800, or 37.4 per cent, compared with the apportionment for 2016/17. The decrease is attributable mainly to decreased requirements under facilities and infrastructure and communications as referred to in paragraph 28 above.

Consultants

41. The Secretary-General requests the provision of $145,000 under consultants, representing a decrease of $73,000 (or 33.5 per cent) as compared to the apportionment of $218,000 for 2016/17. It is stated in the budget report that the resources would provide for the design of Regional Service Centre information videos (directing, filming and editing), and the design of and web content management for publications of the Centre (A/71/835, para. 105). The Advisory Committee was also provided with information showing expenditure for the 2015/16 period in the amount of $135,700, representing underexpenditure of $253,000. For the current period, expenditure as at 28 February 2017 amounted to $45,500 as compared to the apportionment of $218,000. **Taking into account this information, the Advisory Committee recommends that resources under consultants for the 2017/18 period be adjusted to the 2015/16 expenditure level of $135,700.**

Official travel

42. The proposed budget includes a request of $353,000 for official travel, representing a decrease of $91,000 (or 20.5 per cent) as compared to the apportionment of $444,000 for 2016/17. The Advisory Committee was provided with information showing that the proposed resources for official travel comprise $104,000 for within-mission non-training travel of 90 person trips; $68,000 for non-training travel outside the mission area for 15 person trips; and $181,000 for training travel. Upon enquiry, the Committee was informed that, for the purposes of the proposed 2017/18 budget for the Regional Service Centre, within-mission travel referred to trips originating from the Centre to its client missions to provide operational support, including United Nations flights. The Committee requested but was not provided with information on the compliance rate with the 16-day advance booking policy. **The Advisory Committee trusts that the Secretary-General will provide this information to the General Assembly at the time of its consideration of the present report.**

43. The Committee notes from the information provided that several separate trips are planned to different missions for the same purpose, including "regional coordination visits with client missions" and "productive consultation meetings with staff for in-depth understanding of challenges and related items in missions". In addition, the Committee notes from the information provided that a number of planned trips under non-training comprise training elements, such as for cashiers to provide on-the-job training to missions. **The Advisory Committee is not convinced by the justifications provided for these trips and is further of the view that a number of these trips could be combined. The Committee therefore recommends a reduction of 15 per cent or $52,950 to the proposed resources for official travel, amounting to a total of $300,050 under official travel.**

Ground transportation

44. The Secretary-General requests the provision of $102,400 under ground transportation, representing a decrease of $27,600 (or 21.2 per cent) as compared to the apportionment of $130,000 for 2016/17. Based on information provided, the Advisory Committee notes that the proposed budget includes the amount of $43,500

for petrol, oil and lubricants for 2017/18. The Committee also notes from the information provided that for the 2015/16 period expenditure under petrol, oil and lubricants amounted to $22,400 as compared to the apportionment of $105,400, representing underexpenditure of $83,000. For the current period, no expenditure was recorded as at 28 February 2017 against the apportionment of $63,700. **Given the rate of expenditure in the performance and current periods, the Advisory Committee recommends that the provision for petrol, oil and lubricants under ground transportation for 2017/18 be adjusted to the expenditure level for 2015/16 of $22,400.**

Commercial communications

45. The proposed budget includes a provision of $1,103,500 under commercial communications, representing an increase of $508,100 (or 85.3 per cent) as compared to the apportionment of $595,400 for 2016/17. The Advisory Committee was provided with information showing expenditure under commercial communications for the 2015/16 period in the amount of $78,300 as compared to the apportionment of $2,142,000, representing underexpenditure of $2,063,700. For the current period, expenditure as at 28 February 2017 amounted to $25,000 as compared to the apportionment of $595,400. **In the light of previous expenditure, the Advisory Committee recommends that resources for commercial communications under communications for the 2017/18 period be maintained at the 2016/17 level of $595,400.**

Information technology

46. The report indicates a provision for the amount of $2,896,700 under information technology, representing an increase of $233,600 (or 8.8 per cent) as compared to the apportionment of $2,663,100 for 2016/17. In paragraph 110 of the report it is stated that the increase is due mainly to an increase in the number of computing devices from 448 in the 2016/17 period to 727 in the 2017/18 period as a result of the consolidation in the Regional Service Centre assets previously held in MINUSCA, MONUSCO, UNISFA and UNMISS. Upon enquiry, the Advisory Committee was informed that the increase in the Centre's assets is mainly a result of the centralized holding at the Centre of assets previously held in the inventories of its client missions. **The Advisory Committee is of the view that there should be more accurate accounting and transparent reporting of transfers of assets from missions to the Regional Service Centre. The Committee also trusts that, with the current level of holdings at the Centre, the procurement of new computers would not be required.**

Training

47. In paragraph 97 of the report it is stated that the proposed resource requirements for the training programme for 2017/18 would amount to $319,400. From information provided to it, the Advisory Committee notes that for the 2017/18 period it is proposed to conduct 15 internal courses for 476 international staff and 9 external courses for 23 international staff, as well as 16 internal courses for 1,310 national staff and 3 external courses for 8 national staff. The Committee also notes that these include 24 courses on administration/budget and finance for 901 staff members, and 4 courses on human resources management/development for 347 staff members. **The Advisory Committee is not convinced of the necessity of so many training courses on the Regional Service Centre's core functions of administration/budget and finance and human resources for staff of the Centre, and recommends a reduction in training by 50 per cent, amounting to $159,700 for training for 2017/18.**

48. **Subject to its recommendations in paragraphs 32, 33, 35, 36, 37, 41, 43, 44, 45 and 47 above, the Advisory Committee recommends approval of the requested resources for operational costs.**

V. Conclusion

49. The actions to be taken by the General Assembly in connection with the financing of the Regional Service Centre in Entebbe, Uganda, for the period from 1 July 2017 to 30 June 2018 are indicated in section IV of the proposed budget (A/71/835). **Taking into account its recommendations in paragraphs 32, 33, 35, 36, 37, 41, 43, 44, 45 and 47 above, the Advisory Committee recommends that the General Assembly:**

(a) **Appropriate the amount of $33,484,600 for the maintenance of the Regional Service Centre in Entebbe, Uganda, for the 12-month period from 1 July 2017 to 30 June 2018;**

(b) **Prorate the amount in subparagraph (a) among the budgets of the active client peacekeeping operations and against the approved programme budget for the biennium 2016-2017, and take note of the requirements for the proposed programme budget for the biennium 2018-2019 for the share of client special political missions of the Regional Service Centre in Entebbe, Uganda, to meet the financing requirements of the Centre for the period from 1 July 2017 to 30 June 2018.**

Documentation

- Report of the Secretary-General on the budget performance of the Regional Service Centre in Entebbe, Uganda, for the period from 1 July 2015 to 30 June 2016 (A/71/809, annex XIV)
- Report of the Secretary-General on the budget for the Regional Service Centre in Entebbe, Uganda, for the period from 1 July 2017 to 30 June 2018 (A/71/835)
- Report of the Board of Auditors on United Nations peacekeeping operations for the financial period ended 30 June 2016 (A/71/5 (Vol. II))
- Report of the Advisory Committee on Administrative and Budgetary Questions on cross-cutting issues related to United Nations peacekeeping operations (A/71/836)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the proposed budget for the period from 1 July 2016 to 30 June 2017 of the Regional Service Centre in Entebbe, Uganda (A/70/742/Add.17)
- General Assembly resolutions 69/307 on cross-cutting issues and 70/289 on the financing of the Regional Service Centre in Entebbe, Uganda